

Regular Session, 2009

SENATE BILL NO. 211

BY SENATOR CLAITOR

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ECONOMIC DEVELOPMENT. Establishes and provides for the Louisiana Innovation Council. (8/15/09)

AN ACT

To amend and reenact R.S. 36:801(introductory paragraph), and to enact R.S. 36:109(U) and Chapter 40 of Title 51 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 51:2401, relative to economic development; to create the Louisiana Innovation Council within the Department of Economic Development; to provide for the membership; to provide for the duties and responsibilities; to provide for reporting; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 36:801(introductory paragraph) is hereby amended and reenacted and R.S. 36:109(U) is hereby enacted to read as follows:

§109. Transfer of boards, commissions, departments, and agencies to Department of Economic Development

* * *

U. The Louisiana Innovation Council (R.S. 51:2401) is placed within the Department of Economic Development and shall exercise and perform its powers, duties, functions, and responsibilities in the manner provided for agencies transferred in accordance with the provisions of R.S. 36:801.

* * *

§801. Transfer; retention of functions

The agencies transferred by the provisions of R.S. 36:4.1(B), R.S. 36:53(A), **R.S. 36:109(U)**, R.S. 36:409(B), R.S. 36:459(D), R.S. 36:478(K), R.S. 36:509(K), R.S. 36:610(K), and R.S. 36:651(C) shall continue to be composed and selected as provided by law; each agency shall continue to exercise all powers, duties, functions, and responsibilities provided or authorized for each by the constitution or laws which are in the nature of policymaking, rulemaking, licensing, regulation, enforcement, or adjudication and also shall continue to exercise all advisory powers, duties, and functions provided by law; each agency shall continue to administer and implement all programs provided or authorized for each by law which relate to rulemaking, licensing, regulation, enforcement, and adjudication; each agency shall continue to be governed by the Administrative Procedure Act, in its entirety, including provisions relative to adjudication proceedings, unless otherwise specifically provided by law; the executive head of each such agency shall employ, appoint, remove, assign, and promote such personnel as is necessary for the efficient administration of such powers, duties, functions, and responsibilities and for the administration and implementation of such programs, in accordance with applicable civil service laws, rules, and regulations, and with policies and rules of the department to which the agency is transferred, and subject to budgetary control and applicable laws; except as specifically provided in Paragraphs (1), (2), and (3) below.

The agencies transferred as provided in this Section shall exercise the powers, duties, functions, and responsibilities and shall administer and implement the programs authorized in this Section independently of the secretary, the undersecretary, and any assistant secretary, except that:

* * *

Section 2. Chapter 40 of Title 51 of the Louisiana Revised Statutes of 1950, comprised of R.S. 51:2401, is hereby enacted to read as follows:

CHAPTER 40. LOUISIANA INNOVATION COUNCIL

1 **§2401. Louisiana Innovation Council**

2 **A. There is hereby established the Louisiana Innovation Council within**
3 **the Department of Economic Development which shall exercise and perform its**
4 **powers, duties, functions, and responsibilities in the manner provided for**
5 **agencies transferred in accordance with the provisions of R.S. 36:801.**

6 **B. The council shall be composed of the following members:**

7 **(1) The governor or the governor's designee.**

8 **(2) The secretary of Economic Development.**

9 **(3) The commissioner of Higher Education.**

10 **(4) The executive director of the Louisiana Workforce Commission.**

11 **(5) The president of the Louisiana Community and Technical College**
12 **System.**

13 **(6) The state superintendent of Education.**

14 **(7) The chair of the Senate Committee on Commerce, Consumer**
15 **Protection and International Affairs, or his designee.**

16 **(8) The chair of the House of Representatives Committee on Commerce,**
17 **or his designee.**

18 **(9) Two statewide representatives, appointed by the president of the**
19 **Senate, of which one shall be an entrepreneur.**

20 **(10) Two statewide representatives, appointed by the speaker of the**
21 **House of Representatives, of which one shall be an entrepreneur.**

22 **(11) Eight entrepreneurs in the state, appointed by the governor.**

23 **(12) Four statewide representatives, appointed by the governor.**

24 **(13) The chief executive officer of the Council for A Better Louisiana, or**
25 **his designee.**

26 **(14) The chair of Blueprint Louisiana, or his designee.**

27 **(15) The chair of the Committee of 100 for Economic Development, or**
28 **his designee.**

29 **(16) The president of the Southern University System, or his designee.**

1 (17) The president of the University of Louisiana System, or his designee.

2 (18) The president of the Louisiana State University System, or his
3 designee.

4 (19) One representative appointed by the Louisiana Association of
5 Independent Colleges and Universities.

6 C. The council shall have as its mission to shape an innovation-based
7 vision for Louisiana and coordinate activities in the statewide innovation
8 agenda.

9 D. The duties of the council shall include, but are not limited to, the
10 following:

11 (1) Recognize and communicate economic diversification and innovation
12 efforts as key state economic development priorities.

13 (2) Shape the Louisiana innovation agenda, including strategic
14 objectives, activities and investment opportunities related to targeted research
15 investments, commercialization efforts, entrepreneurship services, risk capital
16 development, and the development of new, high-growth industry segments.

17 (3) Assist in the development of a workforce pipeline that supports
18 innovation, including efforts to cultivate talent in Louisiana's pre-kindergarten
19 through twelfth grade education systems, community and technical colleges,
20 universities, and other relevant workforce development programs.

21 (4) Assist in the coordination of related policies, programs, and
22 investments, including those already in place, including but not limited to angel
23 investor tax credits and state venture capital investments.

24 (5) Develop prioritized recommendations on an annual basis to address
25 part or all of the Louisiana innovation agenda.

26 (6) Evaluate in the first year topics such as technology transfer, high-
27 growth industry segments and a Georgia Research Alliance model for
28 Louisiana, including an organizational model, operational model and a
29 proposed start-up budget for a Louisiana Research Alliance based on best

1 practices of other states.

2 E.(1) The council shall adopt such rules and procedures as it shall find
3 necessary for the conduct of the activities and meetings of the council.

4 (2) No action shall be taken by the council except by a favorable vote of
5 a majority of the members.

6 (3) The governor shall appoint the chair and vice-chair of the council
7 from its membership. All other officers, if any, shall be elected by the council
8 from its membership.

9 F. The members of the council shall serve without compensation.
10 Council members who are employees or elected public officials of the state of
11 Louisiana or a political subdivision thereof may seek reimbursement of travel
12 expenses from their agency or department, in accordance with PPM 49.

13 G. The council shall make, or cause to be made, all such studies, reviews,
14 or analysis which it finds necessary to effect its purpose.

15 H. The council may receive and expend funds appropriated or otherwise
16 made available by the legislature or from any other source, including donations
17 or gifts of money or services from public or private organizations or from any
18 other sources, to be utilized for the purposes of the council.

19 I. By February 1, 2010, the council shall present a status report on the
20 development of the models and start-up budget for a Louisiana Research
21 Alliance to the Senate Committee on Commerce, Consumer Protection and
22 International Affairs and the House Committee on Commerce, meeting jointly.
23 Prior to March 1, 2010, the council shall submit its recommended Louisiana
24 Research Alliance organizational model, operational model, and start-up budget
25 for review by the Joint Legislative Committee on the Budget.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

DIGEST

Claitor (SB 211)

Proposed law establishes the Louisiana Innovation Council in the Department of Economic Development, to be composed of the following members:

1. The governor or the governor's designee.
2. The secretary of Economic Development.
3. The commissioner of Higher Education.
4. The executive director of the Louisiana Workforce Commission.
5. The president of the Louisiana Community and Technical College System.
6. The state superintendent of Education.
7. The chair of the Senate Committee on Commerce, Consumer Protection and International Affairs, or his designee.
8. The chair of the House of Representatives Committee on Commerce, or his designee.
9. Two statewide representatives, appointed by the president of the Senate, of which one shall be an entrepreneur.
10. Two statewide representatives, appointed by the speaker of the House of Representatives, of which one shall be an entrepreneur.
11. Eight entrepreneurs in the state, appointed by the governor.
12. Four statewide representatives, appointed by the governor.
13. The chief executive officer of the Council for A Better Louisiana, or his designee.
14. The chair of Blueprint Louisiana, or his designee.
15. The chair of the Committee of 100 for Economic Development, or his designee.
16. The president of the Southern University System, or his designee.
17. The president of the University of Louisiana System, or his designee.
18. The president of the Louisiana State University System, or his designee.
19. One representative appointed by the Louisiana Association of Independent Colleges and Universities.

Proposed law provides that the council's mission is to shape an innovation-based vision for Louisiana and coordinate activities in the statewide innovation agenda.

Proposed law provides that the duties of the council include, but are not limited to, the following:

1. Recognize and communicate economic diversification and innovation efforts as key state economic development priorities.
2. Shape the Louisiana innovation agenda, including strategic objectives, activities and investment opportunities related to targeted research investments, commercialization efforts, entrepreneurship services, risk capital development, and the development of new, high-growth industry segments.
3. Assist in the development of a workforce pipeline that supports innovation, including efforts to cultivate talent in Louisiana's pre-kindergarten - 12th grade education systems, community and technical colleges, universities, and other relevant workforce development programs.
4. Assist in the coordination of related policies, programs, and investments, including those already in place, including but not limited to angel investor tax credits and state venture capital investments.
5. Develop prioritized recommendations on an annual basis to address part or all of the Louisiana innovation agenda.
6. Evaluate in the first year topics such as technology transfer, high-growth industry segments and a Georgia Research Alliance model for Louisiana, including an organizational model, operational model and a proposed start-up budget for a Louisiana Research Alliance based on best practices of other states.

Proposed law requires that the council present a status report on the development of the models and start up budget for a Louisiana Research Alliance to the Senate Committee on Commerce, Consumer Protection and International Affairs and the House Committee on Commerce, meeting jointly, no later than February 10, 2010. Proposed law further requires the council to submit its recommended Louisiana Research Alliance organizational model, operational model, and start-up budget for review by the Joint Legislative Committee on the Budget, no later than March 1, 2010.

Effective August 15, 2009.

(Amends R.S. 36:801; adds R.S. 36:109(U) and R.S. 51:2401)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill.

1. Changes the name of the council from the Louisiana Research Alliance Design Council to the Louisiana Innovation Council.
2. Changes the composition of the membership of the council by removing representatives from LABI, the La. Coalition for Capital, and the La. Industrial Development Executives Assoc., and adding the following members:
 - a. The governor or the governor's designee.
 - b. The executive director of the Louisiana Workforce Commission.
 - c. The president of the Louisiana Community and Technical College System.

- d. The state superintendent of Education.
 - e. One additional member appointed by the president of the Senate.
 - f. One additional member appointed by the speaker of the House.
 - g. Eight entrepreneurs in the state, appointed by the governor.
 - h. Four statewide representatives, appointed by the governor.
 - i. One representative appointed by the Louisiana Association of Independent Colleges and Universities.
3. Adds further duties of the council to include, but not be limited to:
- a. Recognizing and communicating economic diversification and innovation efforts as key state economic development priorities.
 - b. Shaping the Louisiana innovation agenda, including strategic objectives, activities and investment opportunities related to targeted research investments, commercialization efforts, entrepreneurship services, risk capital development, and the development of new, high-growth industry segments.
 - c. Assisting in the development of a workforce pipeline that supports innovation, including efforts to cultivate talent in Louisiana's pre-kindergarten - 12th grade education systems, community and technical colleges, universities, and other relevant workforce development programs.
 - d. Assisting in the coordination of related policies, programs, and investments, including those already in place, including but not limited to angel investor tax credits and state venture capital investments.
 - e. Developing prioritized recommendations on an annual basis to address part or all of the Louisiana innovation agenda.
 - f. Evaluating in the first year topics such as technology transfer, high-growth industry segments and a Georgia Research Alliance model for Louisiana, including an organizational model, operational model and a proposed start-up budget for a Louisiana Research Alliance based on best practices of other states.
4. Adds provision that the governor appoints the chair and vice-chair of the council from its membership, and that any other officers are elected by the membership from the membership of the council.
5. Adds provision that Council members who are employees or elected public officials of the state of Louisiana or a political subdivision thereof can seek reimbursement of travel expenses from their agency or department, in accordance with PPM 49.
6. Changes requirement that the Louisiana Research Alliance organizational model, operational model, and start-up budget be submitted for approval by the Senate Committee on Finance and the House Committee on Appropriations, meeting jointly, to required submission for review by the Joint Legislative Committee on the Budget.